



**Annual Benefit Report**  
**of**  
**Spokengear GBC**  
a Minnesota General Public Benefit Corporation

Submitted, with \$500.00 to  
Office of the Minnesota Secretary of State - Business Services  
Retirement Systems of Minnesota Building  
60 Empire Drive, Suite 100  
St Paul, MN 55103

Date April 2019

## *Brief History of Spokengear GBC*

Spokengear GBC (Spokengear) was incorporated on April 30, 2014, by Daniel and Kirsten Cruikshank. The Articles of Incorporation were amended in January 2015 to state the purpose of pursuing General Benefit Corporation status under Minnesota's Public Benefit Corporation Act. Pursuant to Section 304A of the act, general public benefit purpose as stated is to pursue a net material positive impact from the business and operations of a general benefit corporation on society, the environment, and the well-being of present and future generations.

Daniel Cruikshank, formerly of Granite Gear, Inc., opened Spokengear, a retail bike shop, and Cedar Coffee Company, a coffee and food specialty shop on May 31, 2016, to build a community around bicycling on the North Shore. The concept for the new business is the result of Cruikshank's passion for bicycling and quality outdoor gear, and the Cruikshanks' combined passion for a strong community. Within one year Spokengear had three brands operating under one roof: Spokengear Cyclery and Outdoor, Cedar Coffee Company and Cedaero Bicycle Pack Manufacturing.

Cedaero is a maker of innovative and custom bicycle bags for bike packers and bicycle commuters. Packs are produced on-site by trained industrial sewing operators.

Spokengear Cyclery and Outdoor is located in a beautiful setting - a six-acre cedar grove in the city of Two Harbors, MN, just off the North Shore Scenic Drive. With plenty of parking, the store is at the intersection of two bicycle trails, and near a busy grocery store, box retail store and bank. The address is 1130 11th Street, Two Harbors, MN 55616.

The business has a commitment to source locally for equipment, food and supplies whenever possible. The bike shop works closely with QBP, a Minnesota Company. The coffee shop buys coffee beans weekly from Duluth Coffee Company, and purchases food from Sysco foods of MN and local suppliers whenever possible. Cedaero bags are made with fabrics sourced from companies in the United States.

Why made in the USA? - Because we have a commitment to the local economy. Purchasing materials produced locally and providing employment for people in our depressed geographic area that has been traditionally dependent on mining and lumber, will help sustain the local economy. Buying locally as much as possible, and using local contractors, also saves on fossil fuels by eliminating transportation costs.

Owners, Dan and Kirsten Cruikshank, are family-oriented and focused on offering the finest products and services to our customers; as well as being responsible to the environment, the community and to our employees.

### **Key Management**

Spokengear GBC currently employs 19 people:

- Dan Cruikshank, President and CEO of Spokengear GBC
- Kirsten Cruikshank, VP of Spokengear GBC
- Mark Alsum, Spokengear Cyclery Service Manager
- Erin Currier, Kitchen Manager for Cedar Coffee Company
- Brian Moriarty, Head Barista and Coffee Shop General Manager

- Josh Kowaleski, Spokengear Sales Manager
- Karl Mesedahl, Cedaero Production Manager
- The managers named above all have Bachelors Degrees and some have Masters Degrees in Art, Nutrition, Business, Counseling, Sustainability, Psychology, and Social Work. The company has seven additional part-time workers in the coffee shop, one additional bike mechanic, and four people working in Cedaero Manufacturing.

### **Highlights of the Year 2018**

- On May 20, 2018, we hosted the second Spokengear Bike Swap and Sale, an annual event where our customers buy and sell used affordable bikes and gear. We had a successful sale with \$2,000 in proceeds being shared with the Gitchi-Gami Trail Association and the Lake County Mountain Bike Trails. Partners included both of the trail projects that received donations, the Lake County Statewide Health Improvement Program, and Crushing Mechanics (provided storage). We will host this event again in 2019 with increased promotions and support from Thrivent.
- June - October hosted the Two Harbors Area Farmers Market every Saturday, with local vendors selling their wares on the lawn of Cedar Coffee and Spokengear.
- In September 2018 we hosted a Fall Celebration with local vendors on-site, including Castle Danger Brewery, Never Summer Sugarbush, Rebecca's Pies, Love Creamery, Zenith Tea Works, Clover Valley Farms and Duluth Coffee Company.
- Cedaero works with suppliers and other manufacturers (like Granite Gear) to purchase equipment and materials that are used and or underused to save resources.
- Cedar Coffee Company composts coffee grounds, food scraps, egg cartons, to-go coffee cups and other to-go containers.

### **Third Party Standard**

Spokengear Board of Directors has selected B Lab as its third-party standard. B Lab is an independent nonprofit organization that serves a global movement of people using business as a force for good. Its vision is that one day all companies compete not only to be the best in the world, but the Best for the World® and as a result society will enjoy a more shared and durable prosperity. B Lab drives this systemic change.

Though we have achieved many of our goals to provide a public benefit, we have not completed the full certification process with B lab. We have, however, registered with B lab, and completed the initial Impact Assessment. In 2019 we plan to recruit an intern from one of the nearby colleges: UMD, College of St. Scholastica, UWS, or Northland College to help us complete the assessment and certification process. The student would be supervised by Dan Cruikshank, CEO, and Karl Mesedahl, Cedaero Production Manager. Karl has a Masters Degree in corporate sustainability and sustainable product design.

**With regard to the period covered by this report, January 1, 2018 to December 31, 2018, Spokengear GBC, including its owners and board of directors, Dan Cruikshank and Kirsten Cruikshank, pursued social purpose and public benefit, as stated in its Articles of Incorporation, in the following ways:**

- Worked with the Lake County Land Use Commissioner, Nate Eide, to participate in the development of mountain bike trails near split rock in Lake County. We also worked with Eide and volunteers to groom trails at the Lake County Demonstration Forest for Fat Bike use. We promoted use of the public trail on our Facebook page, group rides, by sharing maps, information and rental bikes.
- We continue to serve as the “home” of the Gitchi Gami Trail Association (GGTA), the group promoting expansion and use of the bike trail along the North Shore. We serve as their mailing address, provide storage, offer meeting space and provide a bike mechanic at their annual fundraiser in August. We donated \$1,000 in proceeds from the Spokengear Yard Sale to the GGTA. GGTA members and volunteers helped with the event, and conducted outreach and education about the trail.
- Expanded membership with the Two Harbors Area Chamber of Commerce to include Cedar Coffee Company. Membership in this nonprofit is \$265 annually + \$80 and promotes local tourism and economic development. Cedar Coffee Company hosted a record 60 members and guests at the Chamber’s Annual Holiday Gathering in December 2018.
- Sponsored the following bike events in 2018: Land Run 100 in Stillwater Oklahoma, Dirty Kanza in Emporia Kansas, Le Grand du Nord, Heck Epic, Heck of the North, Marji Gesick, Crusher, Pie Burner, Winter Bike Week, donating prizes for participants. We also contributed to COGGS Gala and the GGTA Annual Ride. See attachment for list of sponsorships and donations.
- We contributed to the Julebyen Fundraiser in Knife River for the Knife River Recreation Association. We paid \$200 participation fee, provided fat bike demonstrations, coffee and information for the two-day event in December 2018.
- Contributed over \$3,000 financially and/or in-kind to the many local nonprofit organizations and educational institutions. See attachment for a full list of sponsorships and donations.
- Cleaned a Section of Hwy 61 under the Adopt-a-Highway program.
- Participated as Sponsors and Mentors in “Rock Solid Robotics” (High School) and the First Lego League “Robo Dweebs” (Middle School). Both are FIRST Robotics programs promoting STEM Education at the Two Harbors High School. An important part of Cruikshank’s mentorship is to teach students how to cut and sew the fabric bumpers needed for the robot, and donate the supplies for the bumpers. Cedar Coffee Company hosted the banquet dinner for the Robo Dweebs.
- Worked with Lake County Soil and Water to maintain a rain garden on our property to protect nearby waterways from parking lot run-off. The native plants attract and nurture pollinators and wildlife. We worked with North Shore Natives to create a native plant garden near our signs on County 26.

**The following is a description of how we believe we succeeded in achieving the goals of our specific benefit purpose.**

- Community Collaboration: Continue to collaborate with fourteen local partners to be a good steward of the land and minimize the footprint of our business on the earth. (See detail above)
- Financial Donations: Contributed cash and in-kind donations to outdoor-related and 501(c)3 nonprofit organizations (see above).

- **Employment:** Provided a living wage for eight employees in 2018 (based on <http://livingwage.mit.edu/metros/20260>). Provided on-the-job training and full-time(8) or part-time employment to all employees. Benefits include beverage, food and retail discounts, flexible scheduling, opportunities for education, advancement and mentorship.
- **Leadership and Volunteerism:** Officers Dan and Kirsten Cruikshank, their children, and employees provided leadership and volunteer service to nine mission-related community service organizations.
- **Recycling and Composting:** Spokengear and Cedar Coffee minimize waste by purchasing products with minimal packaging where possible. We have a contract with a local garbage hauler to pick up recycling (cardboard, glass, tin, aluminum, plastic, paper, magazines) once a week and deliver them to the Lake County Developmental Achievement Center (DAC) Recycling Center, a local non profit that employs people with disabilities. For example, a minimum of three yards of cardboard are recycled weekly and sold by the DAC to be used in roofing materials and other products.

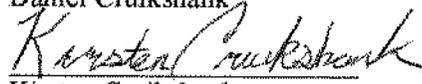
### CERTIFICATION BY THE BOARD OF DIRECTORS

By participating in all of the activities listed above, the officers of Spokengear GBC, Inc. contribute to the public good of the community. As the business opens and begins selling quality products and services, we will demonstrate a greater commitment to the environment, our employees and our community.

The undersigned, being all the directors of Spokengear GBC, Inc., hereby acknowledge and certify that we have reviewed and approved the enclosed First Annual Report.



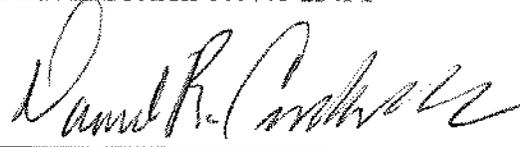
Daniel Cruikshank



Kirsten Cruikshank

### SUBMISSION:

I, the undersigned, certify that I am the PRESIDENT of this public benefit corporation. I further certify that I have signed this document no more than 30 days before the document is delivered to the secretary of state for filing, and that this document is current when signed. I further certify that I have completed all required fields, and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.



Daniel Cruikshank

For further information contact:  
 Kirsten Cruikshank, [kirsten@cedarcoffeecompany.com](mailto:kirsten@cedarcoffeecompany.com)  
 Spokengear/Cedar Coffee Company  
 218-830-1511

## **Spokengear GBC 2018 Donations**

Adopt-A-Highway

American Legion Coffee for Veterans Dinner

ARC Northland Chocolate After Dark

Brimson Sportsman's Club

Brimson Sisu Fundraiser for the Brimson Volunteer Fire Department

Chalk a Lot

COGGS Gala

DAC Lake County Annual Fall Festival

Duluth Chamber of Commerce FUSE Event

Ecumen Scenic Shores Fundraiser for an outside patio

French River Lutheran Church

Gitchi Gami Trail Association (Significant Donation from Spokengear Yard Sale)

Gravel Dash

Habitat for Humanity (Western Lake Superior) - Barr Engineering Project

Heritage Days

Holy Spirit Catholic Church

Julebyen - Knife River Recreation Center Fundraiser

KTWH Harvest Moon Gala, Food for Volunteer Fund Drive, Coffee for Cabin Fever Reliever

Lake County Mountain Bike Trails (Significant Donation from Spokengear Yard Sale)

Lake County Soil and Water Clean up Events

Larsmont School Fundraiser

Law Enforcement "TORCH RUN"

Marshall School Storybook Bash

Minnesota Canoe Museum - Ely

Minnesota Land Trust

No Hungry Kid Chef's Ride

North House Folk School Grand Marais

North Shore Horizons Taste of the North Event

Two Harbors Area Food Shelf - Pedal For Good Fundraiser and prizes for volunteers

Toys for Tots Pie Burner

Salvation Army Coop Light and Power Caring Loving People Toy Drive

Save the BWCA

Silver Bay Public Library

Superior Hiking Trail Hike Fest

Two Harbors Area Chamber of Commerce

Two Harbors Area Fund Event

Two Harbors Curling Club

Two Harbors Fire Department

Two Harbors High School (THHS) Rock Solid Robotics

THHS Robo Dweebs Middle School Robotics

THHS After Prom

THHS City-wide Agate Pride

THHS Choir Coffee House Event

University of MN Masonic Cancer Center Chainbreaker Ride

Zeitgeist Winter Bike Week (Cedaero)

**Total Value of Cash and IN-kind Donations is over \$ 4,000.00+**



**Work Item 1083091100037**  
**Original File Number 758470700020**

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
FILED  
**05/01/2019 11:59 PM**

*Steve Simon*

Steve Simon  
Secretary of State